

AGENDA

Denver Board of Water Commissioners

Video Conference: <http://zoom.us/join>, Meeting ID: 843 9089 7771 - Passcode: 350121 or

Dial in (669) 900-6833 - Meeting ID: 843 9089 7771 - Passcode: 350121

Members of the public are asked to participate via video conference due to COVID-19 safety protocols

Wednesday, July 13, 2022 – 9:00 a.m.

I. INTRODUCTORY BUSINESS

A. Call to Order and Determination of Quorum

B. Public Comment and Communications

At this point in the agenda, the Board may allow members of the public to address the Board on any item of interest within the jurisdiction of the Board, and not on the agenda for action. Speakers wishing to address a specific Action Item will be invited to address the Board when the item is being considered. Three minutes are allowed for each person unless the President determines otherwise.

1. Distributor Communications
2. Citizen Advisory Committee Communications

C. Ceremonies, Awards, and Introductions

II. ACTION ITEMS

A. Consent Items

Items listed below are considered routine and may be enacted by one motion and vote. If any Board member desires discussion beyond explanatory questions, or corrections to the Minutes, the President may order that item to be considered in a separate motion and vote.

1. Minutes from June 8, 2022
2. Minutes from June 22, 2022
3. 2022 Woford Mountain Reservoir Budget Agreement – Contract 505316
4. Adoption to Denver County's Local All-Hazard Mitigation Plan

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B. Individual Approval Items

- | | | |
|---|-------------|------------|
| 1. Strontia Springs Reservoir Deep Sediment Removal Project Design Phase Services – Contract 505333 | Ashley Hase | 15 minutes |
| 2. Approval of 2023 Medical, Dental, and Vision Rates for Employees and Retirees | Kim Forbes | 5 minutes |

III. POLICY MATTERS

- | | | |
|--|----------------|------------|
| A. Lead Reduction Program Update | Alexis Woodrow | 15 minutes |
| B. Authority to Bind Denver Water | Brian Good | 15 minutes |

IV. EXECUTIVE UPDATE

- A. CEO Update**
- B. CFO Update**
- C. Operations Update**

V. BRIEFING PAPERS & REPORTS

- A. Briefing Paper**
- B. Report**

VI. ADJOURNMENT

VII. TRUSTEE MATTERS

VIII. EXECUTIVE SESSION

The Board may adjourn the regular meeting and reconvene in executive session on topics authorized by D.R.M.C Sec. 2-34.

- A. Confidential Report**

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: July 13, 2022

Board Item: II-A-3

2022 Woford Mountain Reservoir Budget Agreement Contract 505316

Action by Consent

Individual Action

Purpose and Background:

The purpose of the 2022 Woford Mountain Reservoir Budget Agreement (2022 Budget Agreement) is to implement the requirements under the Inter-governmental Agreement and Temporary Amendment of the March 3, 1987 Rock Creek Lease Agreement as Previously Modified (Temporary Agreement). The Temporary Agreement was entered into in 2021 to test a budget and authorization process to be used by Denver Water and the Colorado River Water Conservation District (CRWCD) for Denver Water's 45.33% contribution to the annual operation, maintenance and rehabilitation (OM&R) costs associated with Woford Mountain Reservoir and Ritschard Dam (Reservoir). Under the 2022 Budget Agreement, Denver Water and the Colorado River District have reconciled the 2021 budget with 2021 actual costs resulting in a total credit of \$121,023. This credit is being applied to the 2022 budget and results in a total 2022 payment of \$427,039. Details for this accounting are included in Exhibit A to the 2022 Budget Agreement.

In addition, any credits from 2022 will carry over into 2023 and reduce Denver Water's OM&R payment by an equal amount.

Budget and Schedule:

The total amount of the 2022 Budget Agreement is \$427,039 and the term of the 2022 Budget Agreement extends from its effective date through December 31, 2022. Funds for the 2022 Budget Agreement will come from the 2022 budget for Woford Mountain which has a budget of \$495,059.

Recommendation:

Staff recommends that the Board approve Contract 505316 with the CRWCD for Denver Water's portion of Woford OM&R costs during calendar year 2022 for a total contract amount not to exceed \$427,039.

Approvals

- | | |
|---|---|
| <input checked="" type="checkbox"/> James S. Lochhead, CEO/Manager | <input type="checkbox"/> Brian D. Good, Chief Administrative Officer |
| <input type="checkbox"/> Julie Anderson, Chief of Staff | <input type="checkbox"/> Richard B. Marsicek, Chief Water Resource Strategy Officer |
| <input type="checkbox"/> Jessica R. Brody, General Counsel | <input type="checkbox"/> Robert J. Mahoney, Chief Engineering Officer |
| <input checked="" type="checkbox"/> Angela C. Bricmont, Chief Financial Officer | <input checked="" type="checkbox"/> Thomas J. Roode, Chief Operations Officer |

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DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: July 13, 2022

Board Item: II-A-4

Adoption to Denver County's Local All-Hazard Mitigation Plan

Action by Consent

Individual Action

Purpose and Background:

The purpose of multi-hazard mitigation planning is to reduce or eliminate long-term risk to people and property. In order for state, local, and tribal jurisdictions to be eligible for Federal Emergency Management Agency (FEMA) assistance prior to, during and after a disaster strikes, they must develop all-hazard mitigation plans. Each jurisdiction, along with their supporting stakeholder agencies, must participate in the plan development, identify mitigation projects within their agency's jurisdiction/property, manage and maintain their daily operational commitments, formally adopt the plan and submit the completed plan to FEMA for approval. These all-hazard mitigation plans must be reviewed and updated in 5-year cycles.

In 2012, several local county governments (participating counties below) asked that Denver Water participate in their local planning effort due to the extent of Denver Water's infrastructure located in their counties. Denver Water's Emergency Management Program continues to participate in these local planning efforts to ensure pre- and post-disaster funding opportunities are available should something occur which impacts the water system.

As a local government entity, Denver Water could prepare its own comprehensive all-hazard mitigation plan instead of being a stakeholder in other jurisdictions' plans. The benefits of being a stakeholder include: less expense; greater transparency and awareness of holistic community-based risks; and improved community relationships. Depending on the risks identified, there may also be an opportunity to work with local communities in obtaining grant funding to either further analyze or mitigate risks. As a stakeholder, Denver Water commits staff time to report the status of projects to local communities. There are no additional projects required by this plan, only projects that Denver Water has already committed to.

Denver Water is participating as a stakeholder in the following counties' All-Hazard Mitigation Plans:

- Adams County
- Arapahoe County
- Denver City & County
- Douglas County
- Jefferson County
- Grand County
- Summit County

Each jurisdiction will require approval by a separate resolution. As the plans become ready, staff will seek a resolution for each plan.

Budget and Schedule:

There is no budgetary impact for this item.

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Recommendation:

Staff recommends that the Board approve the Denver County mitigation plan as it pertains to Denver Water.

Approvals:

James S. Lochhead, CEO/Manager

Julie Anderson, Chief of Staff

Jessica R. Brody, General Counsel

Angela C. Bricmont, Chief Financial Officer

Brian D. Good, Chief Administrative Officer

Richard B. Marsicek, Chief Water Resource Strategy

Robert J. Mahoney, Chief Engineering Officer

Thomas J. Roode, Chief Operations Officer

TITLE: RESOLUTION ADOPTING THE DENVER COUNTY MULTI-HAZARD MITIGATION PLAN 2022 AS IT PERTAINS TO DENVER WATER.

ADOPTED AND APPROVED ON JULY 13, 2022 BY THE CITY AND COUNTY OF DENVER ACTING BY AND THROUGH ITS BOARD OF WATER COMMISSIONERS

Gary M. Reiff, Board President

James S. Lochhead, CEO/Manager

The Board of Water Commissioners finds that:

- A. Denver County requested that the City and County of Denver, acting by and through its Board of Water Commissioners (Denver Water), as a property owner in Douglas County, participate in mitigation planning prescribed by the Disaster Mitigation Act of 2000 by assisting in the preparation of Douglas County's Multi-Hazard Mitigation Plan; and
- B. Denver Water recognizes the threat that natural hazards pose to people and facilities within Denver County; and
- C. Undertaking hazard mitigation actions will reduce the potential for harm to people and property from future hazard occurrences; and
- D. The Colorado Department of Emergency Management and the Federal Emergency Management Agency (FEMA) Region VIII officials have reviewed the Denver County Multi-Hazard Mitigation Plan and approved it contingent upon official adoption of the participating governing body; and
- E. Denver Water desires to comply with the requirements of the Disaster Mitigation Act where it specifically references Denver Water within the Denver County Multi-Hazard Mitigation Plan; and
- F. Denver Water, in conjunction with Denver County Government is recognizing the FEMA approval of the Denver County Multi-Hazard Mitigation Plan, which inventories the threat that natural hazards pose to people and property within that community; and
- G. An adopted Multi-Hazard Mitigation Plan is required as a condition of future funding for mitigation projects under multiple FEMA pre- and post-disaster mitigation grant programs; and

Adopted by the Board on July 13, 2022

H. Denver Water has facilities within the Planning Area, and participated in the mitigation planning process to prepare this Multi-Hazard Mitigation Plan.

Based on the foregoing findings, the Board:

1. Hereby adopts the Denver County Multi-Hazard Mitigation Plan as it pertains to Denver Water.

Adopted by the Board on July 13, 2022

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: July 13, 2022

Board Item: II-B-1

Strontia Springs Reservoir Deep Sediment Removal Project Design Phase Services Contract 505333

Action by Consent

Individual Action

Purpose and Background:

The purpose of this Board item is to initiate the design phase services contract for the Strontia Springs Reservoir Deep Sediment Removal Project, Contract 505333. This project is intended to address the deep sediment deposit in Strontia Springs Reservoir immediately upstream of the dam. The design phase services include performing an alternatives analysis, establishing design criteria, providing permitting support, preparing plans and specifications, providing bidding support, and coordinating with the Design Assist Contractor (who will be under a separate contract).

Strontia Springs Dam and Reservoir are critical to both the Denver Water and Aurora Water collection systems. Over 80% of the water for Denver Water and more than 90% of the water for Aurora Water passes through the reservoir. Sediment in Strontia Springs Reservoir has been an on-going issue since original construction. An estimated 1.6 million cubic yards (CY) (approximately 18% of the reservoir's original capacity) of material has accumulated in the reservoir. Each year, an average of 50,000 CY of additional sediment accumulates with more following wildfires and large runoff events. A project was performed in 2011 to remove sediment from the upstream reaches of the reservoir.

A Choosing by Advantages (CBA) workshop was held in 2019 to develop a plan to address the sediment in Strontia Springs Reservoir. The CBA resulted in the recommendation to establish a long-term maintenance program including a combination of upstream watershed sediment management and periodic sediment removal from the reservoir. This will be the first reservoir sediment removal project that is a part of the long-term program. This project is intended to address the deep sediment deposit near the emergency reservoir drain system and hydropower intake. This will reduce potential risks that impact facility operations.

Budget and Schedule:

The total amount of this contract is \$434,561 and the term of the contract is July 13, 2022, through December 31, 2023. Funds for this contract will come from the 2022 budget for Strontia Sedimentation Study business unit, which has sufficient funds to pay the \$240,000 estimated to be needed in 2022. The remaining \$194,561 will be budgeted in 2023.

Selection of Business Partner:

Denver Water advertised the Request for Proposals publicly on the Denver Water website. In addition, Denver Water contacted seven consultants with relevant experience prior to issuing the Request for Proposals. Denver Water received proposals from two teams. Due to the specific nature of this project, a quality-based selection process was used to choose the design phase services consultant. The selection committee was comprised of five members from the internal project team.

S/MWBE Information:

Due to the specialized nature of the work, Small/Minority and Women-owned Business Enterprise (S/MWBE) goals were not established for the Design Phase. S/MWBE goals will be established for the Construction Phase of this project.

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Recommendation:

Staff recommends that the Board approve Contract 505333 with Anchor QEA for the Strontia Springs Reservoir Deep Sediment Removal Project - Design Phase Services for the contract period of July 13, 2022, through December 31, 2023, for a total contract amount not to exceed \$434,561.

Approvals

- | | |
|---|---|
| <input checked="" type="checkbox"/> James S. Lochhead, CEO/Manager | <input type="checkbox"/> Brian D. Good, Chief Administrative Officer |
| <input type="checkbox"/> Julie Anderson, Chief of Staff | <input type="checkbox"/> Richard B. Marsicek, Chief Water Resource Strategy Officer |
| <input type="checkbox"/> Jessica R. Brody, General Counsel | <input checked="" type="checkbox"/> Robert J. Mahoney, Chief Engineering Officer |
| <input checked="" type="checkbox"/> Angela C. Bricmont, Chief Finance Officer | <input type="checkbox"/> Thomas J. Roode, Chief Operations Officer |

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: July 13, 2022

Board Item: II-B-2

Approval of 2023 Medical, Dental and Vision Rates for Employees and Retirees

Action by Consent

Individual Action

Purpose and Background:

The purpose of this Board item is to finalize medical, dental and vision premium rates and employer/employee contribution ratios for the 2023 plan year.

Denver Water is self-insured for medical and dental costs, which means that the total cost of claims is paid by Denver Water contributions, employee/retiree contributions, and employee/retiree out-of-pocket payments. As part of the annual process to establish employee and retiree contributions for plan coverage, the previous plan year performance is reviewed.

Denver Water is proposing medical plan design changes that will bring our plans closer in alignment with the market, acknowledge employee preference and reflect marginal cost increases to both employees and Denver Water as depicted in the 2023 Medical Plan Design. As a result, Denver Water is recommending an 8.9% increase in the estimated premiums for 2023. The current active cost share is 88.2%/11.8%. Due to the significance of the transition to new plan designs, staff is recommending a similar cost share for 2023. Denver Water's contribution to medical plan costs would be approximately \$17.7 million, and the employee/retiree contribution would be approximately \$3.6 million, distributed by plan type and tier selection as depicted in the attached 2023 Medical, Dental and Vision rates document.

The cost of claims to the dental plan has been favorable over the last 12-month period. Denver Water is recommending the Board reduce rates by 4.5% and add implant and posterior composite coverage along with Right Start 4 Kids which expands coverage for dependent children. This means Denver Water contribution will be at least 63% of dental plan costs, with employees' contributions at 37%. Denver Water's contribution would be approximately \$586,224, and the employee/retiree contribution would be approximately \$340,608, distributed by tier selection as depicted in the attached 2023 Medical, Dental and Vision rates document.

There are no vendor changes for medical and dental benefits for 2023.

There will be no vendor changes for vision benefits. 2023 premium rates will be reduced by 18.6% which covers estimated 2023 plan costs. Vision benefits are 100% employee paid.

Budget and Schedule:

The estimated \$17.7 million in contributions to the medical and dental premiums will be included in the 2023 budget process.

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Recommendation:

Staff recommends that the Board approve the recommended plan design changes and the 2023 Medical, Dental and Vision Contributions described in the attached rate document.

Approvals

- | | |
|---|---|
| <input checked="" type="checkbox"/> James S. Lochhead, CEO/Manager | <input type="checkbox"/> Brian D. Good, Chief Administrative Officer |
| <input checked="" type="checkbox"/> Julie Anderson, Chief of Staff | <input type="checkbox"/> Richard B. Marsicek, Chief Water Resource Strategy Officer |
| <input type="checkbox"/> Jessica R. Brody, General Counsel | <input type="checkbox"/> Robert J. Mahoney, Chief Engineering Officer |
| <input checked="" type="checkbox"/> Angela C. Bricmont, Chief Finance Officer | <input type="checkbox"/> Thomas J. Roode, Chief Operations Officer |